

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Responses to the Attorney General's Seventh Set of Information Requests

Request No. AG-7-51 (Electric)

Referring to Schedule MHC-7-17, please reconcile the Gas Division depreciation expense amount shown there with the amount shown on page 34, line 7 of the Company's 2001 Annual Report to the Department.

Response:

This response assumes the question relates to the Electric Division. Schedule MHC-7-17 depreciation expense is \$1,964,546 and the Annual Report to the Department, page 34, line 7 total of \$2,056,998, which results in a variance of \$92,450.

Schedule MHC-7-17 includes \$34,094 – Millstone #3 Decommissioning Depreciation Expense that is not included in account 254 Reserve for Depreciation in the D.T.E. Annual Report to the Department. The amount of \$5,259 is a re-class of depreciation expense from the prior year, on the Annual Report to the Department, from electric division to gas division. This re-class was made to the current year's expense to adjust the beginning year balance.

Schedule MHC-7-17 does not include the Transportation Depreciation Expense, page 34, line 5, \$114,913 or Other Accounts (Building Overheads), page 34, line 4, of \$16,890. These two depreciation amounts are charged to balance sheet clearing accounts, which are subsequently cleared to construction projects or operation expense, not charged to depreciation expense.

Page 34, Line 7, Column (b) DTE Report	\$2,056,998
Plus Millstone #3 Decommissioning	\$ 34,094
Plus Re-class (see AG-5-51)	\$ 5,259
Less Transportation	\$ 114,913
Less Other Accounts	\$ 16,890
Subtotal (variance)	\$ (92,450)

Sch. MHC-7-17 Total Year Depr. Expense	<u>\$1,964,548</u>
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Person Responsible: Mark H. Collin